



झारखण्ड गजट

असाधारण अंक

झारखण्ड सरकार द्वारा प्रकाशित

17 माघ, 1944 (श०)

संख्या – 65 राँची, सोमवार,

6 फरवरी, 2023 (ई०)

नगर विकास एवं आवास विभाग

संकल्प

1 जनवरी, 2022

विषय:- झारखण्ड राज्य में Bus Terminal/ISBT के विकास/पुनर्विकास के लिए निजी भागीदारी हेतु प्रस्तावित लोक निजी भागीदारी नीति पर स्वीकृति प्रदान करने के संबंध में।

संख्या-जुडको लिमिटेड/पी०पी०पी०/बस स्टैंड/1038/2016/240--74वें संविधान संशोधन की मूल अवधारणा के अनुरूप राज्य के शहरी क्षेत्रों में निवास करने वाले नागरिकों को समुचित नागरिक सुविधाएँ उपलब्ध कराने एवं सुनियोजित रूप से शहरों के विकास के लिए नगर विकास एवं आवास विभाग प्रतिबद्ध है। इस उद्देश्य की पूर्ति हेतु नगर विकास एवं आवास विभाग शहरी स्थानीय निकायों के माध्यम से शहरी क्षेत्रों में विभिन्न केन्द्र प्रायोजित एवं राज्य योजना के माध्यम से सतत प्रयासरत है।

2. 74वें संविधान संशोधन के आलोक में शहरी स्थानीय निकायों के संवैधानिक दायित्व काफी बढ़ गए हैं और शहरीकरण की बढ़ती प्रवृत्ति के कारण शहरों में जनसंख्या का दबाव एवं शहरों के बल पर विस्तार से अनेक नगरीय समस्याएँ उत्पन्न हो गयी हैं। अपने सीमित संसाधनों एवं अल्प आय के बल पर शहरी स्थानीय निकाय अपने क्षेत्रों में आधारभूत संरचनाएँ उपलब्ध कराने में असमर्थ महसूस कर रहे हैं।
3. उपर्युक्त परिप्रेक्ष्य में यह अनिवार्य हो गया है कि राज्य के विभिन्न शहरी स्थानीय निकायों में शहरी आधारभूत संरचनाओं के विकास हेतु निजी क्षेत्र की सक्रिय भागीदारी सुनिश्चित की जाए। इस क्रम में निजी क्षेत्र के द्वारा निजी पूंजी निवेश करते हुए न केवल आधारभूत संरचनाओं को विकसित किया जाएगा बल्कि उनके संचालन एवं प्रबंधन हेतु बेहतर व्यवस्था प्रदान की जा सकेगी।

लोक निजी भागीदारी की व्यवस्था अपनाये जाने के फलस्वरूप विभिन्न आधारभूत संरचनाओं के निर्माण हेतु राज्य निधि पर भी कम भार पड़ेगा तथा राज्य के निवासियों को सृजित की गई परिसम्पत्तियों का लाभ शीघ्र प्राप्त हो सकेगा।

4. उपर्युक्त परिप्रेक्ष्य में झारखण्ड सरकार द्वारा झारखण्ड अर्बन इंफ्रास्ट्रक्चर डेवलपमेंट कंपनी (जुडको) लिमिटेड को लोक निजी भागीदारी (PPP) मोड पर झारखण्ड में Bus Terminal/ISBT परियोजनाओं के विकास के लिए Mandate दिया गया है।
5. उक्त Mandate को सफलतापूर्वक निष्पादन हेतु नीति निर्माण हेतु निदेशक, राज्य शहरी विकास अभिकरण, झारखण्ड की अध्यक्षता में एक समिति का गठन किया गया है, जिसके सदस्य निम्नवत्त हैं:-

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|---|---|------------|
| (i) निदेशक, राज्य शहरी विकास अभिकरण झारखण्ड | - | अध्यक्ष |
| (ii) श्री संजय बिहारी अम्बष्ठ, संयुक्त सचिव,
नगर विकास एवं आवास विभाग, झारखण्ड | - | सदस्य |
| (iii) नगर निवेशक, नगर निवेशन संगठन, झारखण्ड | - | सदस्य |
| (iv) परियोजना निदेशक (वित्त), जुडको लिमिटेड | - | सदस्य सचिव |
| (v) महाप्रबंधक (लोक कार्य), जुडको लिमिटेड | - | सदस्य |
| (vi) उप-सचिव, राजस्व निबंधन एवं भूमि सुधार विभाग,
झारखण्ड, राँची | - | सदस्य |

उक्त समिति द्वारा वांछित लोक निजी भागीदारी पर नीति निर्माण कर प्रस्तुत किया गया है, जिसे दृष्टिगत रखते हुए चयनित निजी भागीदार के द्वारा नगर विकास एवं आवास विभाग के साथ लोक निजी भागीदारी के आधार पर Design, Built, Finance, Operate and Transfer (DBFOT) पद्धति के आधार पर बस पड़ावों को विकसित/पुनर्विकास किये जा सकेंगे।

6. नगर विकास एवं आवास विभाग के स्वमित्व भूमि जिसके लिए चिन्हित की गई भूमि में से वणिज्यिक भूमि पार्सल को Project wise प्रशासनिक स्वीकृति के दौरान Financial Viability analysis के आधार पर तय किये गये समय जो 30 वर्ष या उससे अधिक एवं 90 वर्ष या उससे कम के अंतर्गत लीज पर ऐसे निजी भागीदार को हस्तांतरित किया जायेगा।

7. लोक निजी भागीदार के आधार पर निर्मित किये जाने वाले बस पड़ावों में एकीकृत बस टर्मिनल सह-व्यवसायिक सुविधाओं का निर्माण कराया जायेगा। साथ ही व्यवसायिक क्षेत्र में संरचनाओं को निजी भागीदार के द्वारा सबलीज किया जा सकेगा।
8. झारखण्ड राज्य में Bus Terminal/ISBT के विकास/पुनर्विकास के लिए निजी क्षेत्र की भागीदारी (PPP) को बढ़ावा देने के लिए उक्त नीति में नगर विकास एवं आवास विभाग/जुडको द्वारा निम्नलिखित दायित्वों को अपनाये जायेंगे:-

8.1. नगर विकास एवं आवास विभाग का दायित्व:

- विकास के लिए अतिक्रमण मुक्त भूमि/परियोजना स्थल की उपलब्धता सुनिश्चित किया जायेगा।
- आवश्यक परियोजना से संबंधित अनुमोदन एवं मंजूरी प्राप्त करने में निजी भागीदार को सुविधा प्रदान किया जायेगा।
- परियोजना अवधि के दौरान राजस्व के विकास/संचालन एवं रख-रखाव एवं संग्रह के लिए रियायत प्रदान किया जायेगा।
- निजी भागीदार को भूमि की वाणिज्यिक हिस्से में अधिकतम FAR तीन (3) तक अनुमति दी जायेगी।
- न्यूनतम विकास दायित्व (MDO) के भीतर विज्ञापन, उपयोगकर्ता शुल्क एवं सक्षम स्तर से अनुमोदन के उपरांत अन्य कर लेने का अधिकार दिया जायेगा।
- निजी भागीदार के द्वारा समर्पित किये गये DPR पर अनुमोदन दिया जायेगा।
- न्यूनतम विकास दायित्व (MDO) से संबंधित भूमि पार्सल पर निजी भागीदारी को License Right दिया जायेगा। साथ ही न्यूनतम विकास दायित्व (MDO) से संबंधित भूमि पार्सल पर License Right का समय सीमा वाणिज्यिक भूमि से संबंधित लीज Right के समय सीमा के बराबर रखा गया है।
- कुल चिह्नित भूमि में से न्यूनतम विकास दायित्व (MDO) से संबंधित भूमि पार्सल को हटा कर केवल वाणिज्यिक सुविधा विकसित करने संबंधित भूमि पार्सल [Commercial Land as defined under clause 2.4(a) of the Proposed Policy] पर निजी भागीदार को Lease Right दिया जाएगा। प्रस्तावित नीति में वाणिज्यिक सुविधा विकसित करने से संबंधित भूमि पार्सल पर 30 वर्ष से 90 वर्ष तक के अंदर लीज के प्रावधान का प्रस्ताव है। जिसके फलस्वरूप Project Wise प्रशासनिक स्वीकृति के दौरान Financial Viability Analysis के आधार पर उक्त समय सीमा के अंदर Lease Period का Fixation किया जाएगा।

8.1.2. निजी भागीदार का दायित्व:

- झारखण्ड सरकार द्वारा अनुमोदित अवधारणा नोट के आधार पर विस्तृत परियोजना प्रतिवेदन (DPR) पुरस्कार पत्र जारी करने के तारीख से 3 महीने के भीतर प्रस्तुत किया जायेगा।
- समझौते के अनुसार समय सीमा के भीतर झारखण्ड सरकार द्वारा अनुमोदित (DPR) के अनुसार न्यूनतम विकास दायित्व (MDO) को पूर्ण किया जायेगा।

- वार्षिक रियायत शुल्क या अपफ्रंट प्रिमियम DPR के अनुमोदन के तारीख से 1 महीने के भीतर शुरू किया जायेगा।
- समझौते के अनुसार समय सीमा के भीतर Commercial एकीकृत वाणिज्यिक सुविधा का विकास किया जायेगा।
- निजी भागीदार द्वारा MDO के संचालन एवं प्रबंधन किया जाएगा। डक्व के संचालन एवं प्रबंधन का दायित्व का समय सीमा वाणिज्यिक भूमि के लीज के समय सीमा के बराबर होगी।
- Bus Terminal/ ISBT के पुर्नविकास की स्थिति में जरूरत पड़ने पर मौजूदा लोगों कि पुर्नवास एवं सामाजिक बुनियादी ढाँचा को विकास निजी भागीदार के द्वारा किया जाएगा।

8.2. संभावित Bidding Parameter इस प्रकार होगी:

8.2.1. निजी भागीदार द्वारा अग्रिम पट्टा प्रिमियम (Upfront Lease Premium) के लिए न्यूनतम आरक्षित मूल्य (Minimum Reserve Price) के उपर Bid करेंगे। निजी भागीदार द्वारा अग्रिम पट्टा प्रिमियम निर्माण अवधि के दौरान 5 बराबर किस्तों में भुगतान किये जायेंगे।

अथवा

8.2.2. Project wise Financial Viability Analysis के आधार पर तय किये गये समय जो 30 वर्ष या उससे अधिक एवं 90 वर्ष या उससे कम के अंतर्गत देय उच्चतम वार्षिक प्रिमियम का शुद्ध वर्तमान मूल्य (NPV) न्यूनतम आरक्षित मूल्य से कम नहीं होगी।

अथवा

8.2.3. अग्रिम पट्टा प्रिमियम और वार्षिक रियायत शुल्क का संयोजन Parameter किया जायेगा। इस विकल्प मे 8.2.1 का 20 प्रतिशत तय Parameter होगा एवं 8.2.2 का 80 प्रतिशत Bidding Parameter होगा।

8.2.4. न्यूनतम आरक्षित मूल्य (Minimum Reserve Price) अर्थात् वाणिज्यिक सुविधा Develop करने से संबंधित भूमि पार्सल के सर्कल दर का 1.52 गुणा में से MDO का शुल्क घटाते हुए Fix किया गया है।

9. मौजूदा संकल्प सं. जुडको लिमिटेड पी.पी.पी./बस स्टैंड/1038/2016-5049 राँची, दिनांक 07.08.2017 जो कि झारखण्ड राज्य के विभिन्न शहरी निकायों में लोक निजी भागदारी के आधार पर बस पड़ावों को विकसित किए जाने से संबंधित है, पर न्यूनतम आरक्षित मूल्य (Minimum Reserve Price) कुल चिन्हित भूमि के सर्कल दर का 1.52 गुणा है।

उपर्युक्त मौजूदा संकल्प में राज्य के विभिन्न बस पड़ावों के विकसित हेतु चिन्हित भूमि की वर्तमान बाजार दर की न्यूनतम 7.5 प्रतिशत दर अथवा उससे अधिक दर पर वार्षिक प्रिमियम भुगतान करने हेतु इच्छुक निजी भागीदार के द्वारा निविदा समर्पित करते हुए उद्धृत किया जाना है जिसमें प्रति वर्ष 10 प्रतिशत की चक्रवृद्धि दर के आधार पर भुगतान करना होगा।

इस प्रकार 30 वर्ष के लिए देय उच्चतम वार्षिक प्रिमियम का शुद्ध वर्तमान मूल्य (NPV) न्यूनतम आरक्षित मूल्य अर्थात् कुल चिन्हित भूमि के सर्कल दर का 1.52 गुणा से कम नहीं होगी।

10. मौजूदा संकल्प एवं प्रस्तावित नीति का तुलनात्मक मुख्य बिन्दुः

10.1. मौजूदा संकल्प में न्यूनतम आरक्षित मूल्य (Minimum Reserve Price) के रूप में कुल चिन्हित भूमि के सर्कल दर का 1.52 गुणा निश्चित किया गया है।

जबकि प्रस्तावित नीति में न्यूनतम आरक्षित मूल्य के रूप में कुल चिन्हित भूमि में से न्यूनतम विकास दायित्व (MDO) से संबंधित भूमि पार्सल को हटाकर केवल वाणिज्यिक सुविधा Develop करने से संबंधित भूमि पार्सल के सर्कल दर का 1.52 गुणा में से MDO का शुल्क घटाते हुए निश्चित किया गया है।

10.2. मौजूदा संकल्प में वित्तीय Bid Parameter वार्षिक प्रिमियम (Annual Premium) के रूप में रखी गई है। 30 वर्ष के लिए देय उच्चतम वार्षिक प्रिमियम का शुद्ध वर्तमान मूल्य (NPV) न्यूनतम आरक्षित मूल्य अर्थात् कुल चिन्हित भूमि के सर्कल दर का 1.52 गुणा से कम नहीं होगी।

जबकि प्रस्तावित PPP Policy में विकल्प के रूप में अग्रिम पट्टा प्रिमियम (Upfront Payment) अथवा अग्रिम पट्टा प्रिमियम और वार्षिक प्रिमियम का संयोजन के रूप में भी Quote किये जाने का प्रावधान इस प्रकार रखी गई है:-

निजी भागीदार द्वारा अग्रिम पट्टा प्रिमियम (Upfront Lease Premium) के लिए न्यूनतम आरक्षित मूल्य (Minimum Reserve Price) के उपर Bid करेंगे। निजी भागीदार द्वारा अग्रिम पट्टा प्रिमियम निर्माण अवधि के दौरान 5 बराबर किस्तों में भुगतान किये जायेंगे।

अथवा

Project wise Financial Viability Analysis के आधार पर तय किये गये समय जो 30 वर्ष या उससे अधिक एवं 90 वर्ष या उससे कम के अंतर्गत देय उच्चतम वार्षिक प्रिमियम का शुद्ध वर्तमान मूल्य (NPV) न्यूनतम आरक्षित मूल्य से कम नहीं होगी।

अथवा

अग्रिम पट्टा प्रिमियम और वार्षिक रियायत शुल्क का संयोजन Quote किया जायेगा। इस तिसरे विकल्प में पहला विकल्प का 20 प्रतिशत तय Parameter होगा एवं दूसरे विकल्प का 80 प्रतिशत Bidding Parameter होगा।

10.3. मौजूदा संकल्प में कुल चिन्हित भूमि पर 30 वर्ष के लिए लीज का प्रावधान है, जिसे Performance Evaluation के आधार पर पुनः 30+30 वर्ष के लिए विस्तारित किया जा सकता है।

जबकि प्रस्तावित नीति में वाणिज्यिक सुविधा Develop करने से संबंधित भूमि पार्सल पर 30 वर्ष से 90 वर्ष तक के अंदर लीज के प्रावधान का प्रस्ताव है। जिसके फलस्वरूप Project wise प्रशासनिक स्वीकृति के दौरान Financial Viability analysis के आधार पर उक्त सीमा के अंदर लीज Period का Fixation किया जा सकेगा। साथ ही न्यूनतम विकास दायित्व (MDO) से संबंधित भूमि पार्सल पर License Right का समय सीमा वाणिज्यिक भूमि से संबंधित लीज के समय सीमा के बराबर रखा गया है।

10.4. मौजूदा संकल्प में Financial Bid को चिन्हित भूमि के वर्तमान बाजार दर के साथ Link कराया गया है।

जबकि प्रस्तावित नीति में Financial Bid को परियोजना के व्यवहार्यता (Viability) के साथ Link कराया गया है।

11. मौजूदा संकल्प में उक्त खामियों के कारण प्रकाशित किये गये निविदा में कोई भी निजी भागीदार के द्वारा भाग नहीं लिया गया एवं साथ ही 10 जून 2019 में किये गये Investors Meets में उपर्युक्त खामियों को उद्धृत किया गया।
12. प्रस्तावित नीति में उपर्युक्त बातों को ध्यान में रखते हुए Financial Bid को Project Revenue के साथ Link कराया गया है। प्रस्तावित नीति (PPP Policy) इस संलेख के साथ संलग्न की गई है।
13. प्रस्तावित नीति में VGF का कोई प्रावधान नहीं किया गया है। अर्थात् प्रस्तावित योजना के लिए सरकार पर कोई वित्तीय भार नहीं पड़ेगा।
14. उक्त के परिप्रेक्ष्य में मौजूदा संकल्प संख्या: जुडको लिमिटेड/पी.पी.पी./बस स्टैण्ड/ 1038/2016-5049 राँची, दिनांक 07.08.2017 को लोप (Annual) करते हुए कंडिका-11 में संलग्न किये गये प्रस्तावित नीति (PPP Policy) पर दिनांक 23.12.2020 को सम्पन्न मंत्रिपरिषद् की बैठक में मद संख्या-29 के रूप में स्वीकृति प्रदान की गई है।

झारखण्ड राज्यपाल के आदेश से,

विनय कुमार चौबे,
सरकार के सचिव।



PPP Policy for Development/ redevelopment of Bus Terminal/ ISBT Projects in the State of Jharkhand

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1. Public Private Partnership Framework

1.1 Background:

Urban Development and Housing Department, Government of Jharkhand (GOJ) is committed to improving the level and the quality of economic and social Urban Infrastructure services across the State. In pursuance of this goal, the Government envisages a substantive role for Public Private Partnership (PPPs) as a means for harnessing private sector investment and operational efficiencies in the provision of public assets and services.

UD&HD, GOJ has mandated the Jharkhand Urban Infrastructure Development Company (JUIDCO) Limited to undertake development of Bus Terminal/ISBT projects across Jharkhand on Public Private Partnership (PPP) mode.

However, implementation through PPPs has had its set of challenges due to complicated financing structures, delays in land acquisition and long gestation period of infrastructure projects. Therefore, there is a need to adopt a structured approach while conceptualizing, structuring and implementing projects with private sector participation. A streamlined and well laid out approach would go a long way in addressing some of the challenges and result in successful projects that deliver more value to the public.

This PPP Guide would enable the officials concerned with developing projects under PPP to provide an understanding on the various steps involved with regard to the PPP project lifecycle.

This PPP guide is prepared based on the best practices adopted and prescribed in “PPP Guide for Practitioners”, published by PPP Cell, Department of Economic Affairs, Government of India.

1.2 Introduction to Public Private Partnership

PPPs are an arrangement between the public entity and the private partner for development of infrastructure or delivery of services. Under conventional construction contracts, the private sector bears only the design and construction risk whereas under PPPs, they are likely to bear other risks pertaining to financing, demand and operations, depending upon the risk sharing mechanism between the public entity and the private partner.

PPPs primarily focus on service delivery with measurable output parameters (the performance of the private sector is monitored against a set of performance indicators) as opposed to the conventional method of EPC (Engineering-Procurement-Construction) contracts which only focus on creation of assets.

1.3 Need for PPPs

There are usually two fundamental drivers for PPPs. Firstly, PPPs enable the public sector to harness the expertise and efficiencies that the private sector can bring to the delivery of certain facilities and services traditionally procured and delivered by the public sector.

Secondly, a PPP is structured so that the borrowing of finances is incurred by the private sector implementing the project and therefore, from the public sector's perspective, a PPP is an "off-balance sheet" method of financing the delivery of new or refurbished public sector assets.

1.4 Various Implementation Structures under PPP

PPP arrangements are characterized by the identification of risks and their allocation among the parties to the arrangement. On the basis of the risk allocation, the various PPP models are designed. Many variants of PPP models are implemented across different projects essentially differentiated on the basis of the risk allocation framework employed within these projects. Given below are the basic PPP models that are prevalent in project development.

i. Management contracts

The key feature of management contracts is that the public entity engages a private partner to manage a range of activities for a relatively short duration (3 – 5 years). Management contracts are task specific and tend to focus on inputs rather than outputs. In such contracts, the ownership of assets and investment typically remain with the public entity, although some rehabilitation responsibilities can be transferred to the private partner. Variants include:

- a. Basic management-for-fee contract. In this format, all volume and future value risk is retained by the public entity.
- b. Management contract with performance incentives related to cost and quality. Some risk, such as volume risk, is retained by the contractor.
- c. Management and finance contract with some rehabilitation and expansion. The contractor takes the financial and management risks for a volume incentive.

ii. Lease contracts

In a lease contract, the asset is leased, by the public entity to the private partner. Lease contracts are usually of medium term length, and may involve capital investment by the private partner. Such arrangements are usually observed in water supply contracts where the collection risk is transferred to the private partner. Usually, the private partner in such cases would require an assurance in terms of tariff levels, increases over term of lease and compensation and review mechanism in case the tariff levels do not meet the estimates. Variants include Build –Lease-Transfer (BLT), BOLT.

iii. Concession Contracts

Concession means a bundle of rights which may be transferred from the Government entity to the private partner as part of the PPP arrangement. In a concession contract (brown field) the public sector grants the private partner the right to manage and operate existing assets and responsibility for making new investment (extensions or rehabilitation). However, the ownership of assets typically remains with the Government. The variants under this contract include the following:

a. Build-Operate-Transfer (BOT) contracts and its variants

In this type of arrangement, the private sector is responsible for building, operating and transferring the ownership of the project to the Government. BOT contracts involve a great level of private sector participation across a set of different functions, and often cover a longer duration (also known as “**Concession Period**”). A number of BOT variants are possible depending on the allocation of roles and risk.

b. Design-Build-Finance-Operate-Transfer (DBFOT)

In this type of arrangement the private sector designs, finances and constructs a new facility and operates the facility for the agreed term. The facility is transferred back to the public sector at the end of the term.

c. Build-Own-Operate-Transfer (BOOT):

In this type of arrangement, the private entity finances, designs, builds and operates a facility (may include collection/ charge of user fees) for a specified period, after which the ownership is transferred back to the public sector.

Based on the objectives of the project, required expertise and financial investment from the private sector, the below matrix sets out the PPP option selection:

PPP Option Selection Matrix			
Options	Objectives		
	Technical expertise	Managing Expertise	Operating Efficiency
Management Contract	Yes	Yes	Some
Lease	Yes	Yes	Some
Concession Contract	Yes	Some	Some

1.5 Contract Period for PPP projects:

The contract period for the PPP projects is determined based on the viability of the project. In case of large infrastructure projects such as roads the concession period is given for 30 years. However, recently for the airport projects, concession period is provided up to 50 years and bus terminals/ISBT for 90 years.

Depending on the PPP option selected, ownership, responsibilities of public / private and duration of PPP would be reflected as below:

Distribution of responsibilities& contract period in PPP					
Options	Asset Ownership	Operation and Maintenance	Capital Investment	Commercial Risk	Duration (years)
Management Contract	Public	Private	Public	Public	3 – 5
Lease	Public	Private	Public	Shared	8 – 15
Concession Contract	Public	Private	Private	Private	25 – 30 and above

Source: Knowledge Series, Advanced Course, Department of Economic Affairs, Ministry of Finance, Government of India

1.6 Enabling Commercial Development under Project Land Uses

Generally public land use restricts exclusive commercial development activities. This was the case for the projects being developed under the state government. However, with the advent of PPP and to attract the private sector participation for the development of Urban Infrastructure, it was assessed that development of only public facilities limits the viability of the project. Therefore various state governments have enabled the commercial development under the existing Government land use through amendments. For e.g. Karnataka has made a notification by allowing up to 45% of the FAR in the traffic and transportation land use from the existing limit of 5% for the commercial facilities. The notification is attached as an annexure. In case of Baroda Bus station & Gita Mandir Bus station in Gujarat, the permissible commercial facilities in the transport land use is up to 50% of the total built up area.

1.7 Stakeholders in a PPP transaction

PPP's transactions involve a diverse range of stakeholders in the process. In most cases it is witnessed that stakeholders provide valuable input to the design and practicality of a PPP project. An indicative table of the key stakeholders and their roles is set out in the below table:

Stakeholders	Roles & Responsibilities
Government	a. Establish and prioritize goals and objectives of PPP and communicate these to the public b. Approve recommended PPP option c. Provide institutional, regulatory and legal frameworks
Private sector	a. Provide feedback on attractiveness of various PPP options b. Follow rules and procedures of competitive bidding process c. Provide project specific expertise
Transaction Advisors / Technical consultants	a. Aid / help in structuring and working out a viable PPP project. b. TAs who have experience in developing PPP contracts can help to highlight the best practices to adopt or the pitfalls to avoid when preparing for a PPP deal.
Financial Institutions	Extend financial support to the private partner in terms of loans
Project Monitoring consultant(PMC)	Supervision and monitoring quality of the project (different from TA)
Public	a. Communicate ability and willingness to pay for service b. Express priorities for quality and level of service c. Identify existing strengths and weaknesses in service

2. Public Private Partnership for Bus Terminal/ISBT Projects in Jharkhand:

This section provides the indicative steps for the development of Bus Terminal/ISBT Projects under Public Private Partnership.

2.1 Project Identification:

The locations for the development of Bus Terminal/ISBT Projects in the state has been identified.

2.2 Activities post identification:

There are certain activities that need to be carried out post identification of the project to ensure smooth development at a later stage. These activities include the following:

- Constitution of a Project Management Cell/ Unit
- Stakeholder consultation
- Hiring of Transaction Advisors/ Consultants/ Experts, etc.
- Obtaining preliminary approvals

It is at this stage that the public entity may explore the availability of funds/ schemes that facilitate the carrying out of certain activities such as the preparation of concept plans, feasibility studies, detailed project reports (DPR), etc.

2.3 Project Feasibility

The project feasibility stage confirms the practicability of a project in terms of technical, financial, legal and economic aspects, whether or not a project is envisaged for development through the PPP route.

The project feasibility would be prepared by the Transaction Advisor/Consultant.

a. Technical Feasibility

Technical feasibility studies are carried out primarily to analyse the possible design/engineering options that could be applied and adopted for development of the project. The technical studies throw light on all the approvals and clearances that have to be acquired for project development and implementation. It also lists the utilities/ancillary infrastructure that may be required to be developed and the cost estimates for undertaking the project.

The approvals and clearances that would require for the development of projects are;

- i. Land related approvals – this shows whether land belongs to the Authority and what is the existing land use pattern allowed in this subject land under the master plan. If not, the land has to be notified for the intended purpose by changing the classification accordingly. In addition, necessary approvals should be obtained by the Authority in order to transfer the land to the Private as concession for longer period.
- ii. Building by-laws – it is necessary to understand the existing building by-laws for developing the urban infrastructure facilities in the state/municipality.

b. Financial feasibility assessment

It is a critical part in the project preparation stage. It provides information about the costs, expenses and sources of revenues, and gives an indication whether the project is self-sustaining or requires additional financial support in the form of grant to make it viable. In other words, financial feasibility helps determine whether the project will

make sufficient revenues to offset all the costs incurred as well as allow for a reasonable return on investment for the private partner. Financial feasibility forms the basis for determining an appropriate project structure and eventually informs the preparation of bidding documents.

It is widely understood that development of project on a standalone basis would not be viable. Therefore, the Developer should be allowed to generate revenue through other possible sources within the existing legal framework. Some of the other indicative revenue sources are below.

- a. The developer shall be allowed for additional FAR subject to maximum FAR three (3) for development of commercial facilities.
- b. Allowing parking facilities within the MDO.
- c. Allowing advertisements rights within the MDO.
- d. Allowing the developer to collect user fee.

It is also at this stage that various project structure options as mentioned above for development of the project emerge and the merits for development of the project through an appropriate PPP framework are examined. The financial viability of the project under PPP is usually evaluated through financial indicators such as equity IRR, Project IRR and equity & Project NPV.

Based on the viability of the project determined during the feasibility stage, the project structure is finalized. However, based on the viability of the project the concession period shall be considered.

2.4 Pre-Procurement Activities

Pre-procurement activities would include all the activities that are required to be put in place by the Authority prior to commencement of the bid process for procurement of private sector participation for the project.

An indicative list of these pre-procurement activities includes:

- a. Concept note- Concept note on the Project to be submitted by the Consultant. Concept note will explicitly mention Project wise, total land parcel available, out of that the land parcel to be utilized under MDO and the remaining land parcel to be utilized for commercial development by PPP Partner which will vary Project to Project, known as commercial land. Approval is to be taken on this concept note from Government.

- b. Land Acquisition, fixing of Right of Way and shifting of utilities - process towards land acquisition, access to right of way, shifting of utilities, etc.
- c. Administrative approvals – permissions from Government, Cabinet approvals, etc.
- d. Clearances & Permits – from statutory and regulatory authorities
- e. Inter-departmental coordination

2.5 Procurement Process:

Once the basic pre-requisites to initiate the procurement process have been fulfilled in terms of obtaining in-principle approvals and carrying out the necessary feasibility studies, the next step would be to decide on the procurement process to be adopted. In this stage, it is critical to adopt an open, fair, transparent, competitive approach towards bidding.

A single stage two envelop bidding process shall be adopted for selection of private partner for the development of Bus Terminal/ISBT Projects in different locations of Jharkhand. The following bidding documents would need to be prepared for the procurement process:

- a. Request for Qualification cum Proposal (RFQ cum RFP)
- b. Draft Concession Agreement (DCA)

Evaluation of proposals submitted would be carried out in the following steps:

Step I: First step would involve opening of the Technical Proposal and a test of responsiveness would be carried out as per the provisions contained in the RFP. Those Proposals found to be responsive would be considered for evaluation in the second step.

Step II: In the Second step, the evaluation of the information furnished by the Bidders relating to their eligible experience comprising Technical Capacity and Financial Capacity (“**Eligibility Criteria**”) would be undertaken as per RFP. Bidders who meet the Eligibility Criteria would be considered as qualified bidders (the “**Qualified Bidders**”) for the next stage of evaluation.

Step III: In the third step, the Price Proposal of the Qualified Bidders will be opened for evaluation and the Selected Bidder shall be declared successful for development of Bus Terminal/ISBT or re-development of Market Complex.

a. Bid Parameter for selection of Private Developer:

In case of the financial bids for the development of projects that are financially viable, the Authority shall obtain the highest Annual Concession Fee or Upfront Concession Fee or a combination of both as a bid parameter for consideration of transfer of assets. The Annual Concession Fee to be paid by the Private Developer shall be escalated @5% per annum.

2.6 Post Award Contract Management

The success of a project developed through a PPP framework is determined mostly when the project is executed and its commercial operations are underway. Post award period commences from the date of issue of Letter of Award to the Successful Bidder and ends after the expiry of Project Agreement/Concession Agreement.

The Post-award Contract Management involves four key stages which are mentioned below:

- a. **Development Stage:** includes the process leading up to contract execution, starting from the date of Letter of Award up till the date of commencement of construction consisting of all pre-construction project activities like land acquisition, meeting financial closure, etc.

- b. **Construction Stage:** involves the period commencing from the date of commencement of construction through the commissioning process to the completion of construction as specified in the terms and conditions of concession agreement.
 - c. **Operations & Maintenance Stage:** this stage extends for the longest portion of the PPP project development lifecycle. It covers the provision of service by the private partner and the use of such services during the concession period.
 - d. **Handover Stage:** includes the period leading up to and after contract expiry or termination. The final task in managing a PPP contract is to manage the transition of assets and operations at the end of the concession period. The approach to this transition should be clearly defined in the Concession Agreement. This typically includes defining how quality of the assets will be defined and assessed, whether a payment will be made on asset handover, and how the amount of any payment will be determined. It also involves determining future asset and service requirements; determining future service delivery strategy; reviewing exit provisions; and managing the transfer to the new arrangements.
3. **Proposed Public Private Partnership structure for Bus Terminal/ISBT Projects across Jharkhand.**

The following are the key proposals that could be adopted by Urban Development and Housing Department/JUIDCO, GOJ in order to promote Private Sector Participation for the development of Bus Terminal/ISBT Projects in the State of Jharkhand.

A. Obligation of Urban Development and Housing Department:-

- a. Granting Concession for developing/operating & maintaining and collection of revenues during the project period
- b. Ensuring availability of encumbrance free land/project site for development
- c. Facilitating the developer in obtaining necessary project related approvals and clearances
- d. Approval on DPR as submitted by the Developer.
- e. License right will be given on the land parcel to be proposed for Minimum Development Obligation (MDO). Same time line will be given under license right for MDO as proposed under lease right for commercial development.
- f. Lease right will be given on remaining land parcel i.e. Commercial Land as defined under clause 2.4 (a) of this draft policy, for commercial development by PPP partner. During project wise administrative approval, the lease period for Commercial land will be decided based on financial viability analysis. However, lease period as such shall not be less than 30 years and more than 90 years.
- g. The developer shall be allowed maximum FAR up to three (3) in commercial land for commercial development.
- h. Allowing advertisement rights within the MDO.
- i. Allowing the developer to collect user fee for the facilities provided within the MDO.

B. Obligation of Developer:-

i. Minimum Development Obligation (MDO):

- **Bus Terminal/ISBT Projects**
 - Development and completion of Bus Terminal/ISBT facility as per the specification approved by Government of Jharkhand within the time frame as per the Agreement
- **Re-development of existing Bus Terminal/ISBT**
 - Rehabilitation of the existing tenants if required
 - Development of social infrastructure
- **Other Obligations of developer:**
 - Preparation and submission of detailed project report (DPR) based on the concept note on the Project as approved by GoJ.
 - Submission of DPR within three (3) months from the date of issuance of letter of award.
 - Development of Integrated Commercial facility
 - All approval, permits & consents from statutory authorities with suitable assistance from GoJ
 - Payment of all taxes, levies & duties
 - Construction and handing over of MDO as per the agreed terms and specifications
 - All financing towards construction, operation & maintenance
 - Annual concession fee or Upfront Premium or combination of both within one (1) month from the date of approval of DPR.

C. Implementation Framework:-

- a. GoJ intends to develop the facilities on Design, build, finance, operate & transfer (DBFOT) mode.
- b. Selected bidder will form a SPC to implement the project as wholly owned subsidiary of it.
GOJ will enter into development agreement with the SPC.
- c. During the development phase, Developer will only have License rights on land for development/construction of the Project.
- d. Developer is entitled to have development rights in the MDO land and **Concession/lease rights** on the commercial land only after the completion of the construction of MDO
- e. Developer can sublease the commercial area to end users in co-terminus with the project period
- f. Project construction would be monitored through Project Management Consultancy
- g. The developer shall within 30 days from the date of handover of the land, shall open and establish an escrow account with a nationalized bank and all funds constituting the financing packages for meeting the construction cost of the commercial complex including money received towards advance and installments from prospective end user of the Developer's allocation of space in the commercial complex during the construction period shall be credited to this account and shall maintain the escrow account in accordance with the provisions of Real Estate (Regulation & Development) Act, 2017 and Jharkhand Real Estate (Regulation & Development) Rules, 2017.

D. Probable Bidding Parameters:**a) Upfront lease premium payable by the Developer to the Government subject to minimum reserve price**

- Minimum Reserve Price = 1.52 times of Circle rate of the commercial land – (minus) Cost of Minimum Development Obligation (MDO).
- Upfront premium is to be paid in 5 equal installments during construction period

OR

b) Annual Concession Fee

- The Net Present Value (NPV) of highest annual premium payable for the lease period to be decided based on Project wise financial viability analysis, subject to minimum reserve price. However, the lease period as decided above shall not be less than 30 years and more than 90 years.
- Minimum Reserve Price = 1.52 times of Circle rate of the commercial land – (minus) Cost of Minimum Development Obligation (MDO).

OR

c) Combination of Upfront lease premium and Annual Concession Fee

- 20% of '(a)' will be the fixed parameter and 80% of '(b)' will be variable/bidding parameter.

4. Conclusion:

Under the prevailing Revenue Circular vide 5049 dated 09/08/2017, the financial bid parameter for projects that are financially viable under the Public Private Partnership, the bidder shall not quote less than the Minimum Reserve Price equal to 7.5% of the Market Price of land with escalation @ 10% compound interest per annum during the concession period payable to the Authority.

In the above case, the financial bid is linked to the market price of the land rather than the viability of the project.

In this draft policy effort has been taken to link the financial bid with the viability of the project rather than to the market price of land. Excess of 1.52 times of circle rate of the land parcel to be developed for Commercial purpose over cost of minimum development obligation (MDO) will be taken into consideration in determining the minimum reserve price.
